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The Poor Rich

It is only through the continued productive efforts of labor and capital that economic security can be achieved. This is a truism that is being driven into the consciousness of our "idle rich" with particular emphasis during these days of enforced idleness of labor.

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The securities which have "supported" our various almoners—from widows to millionaires—have in themselves no power of production. Their earning power is entirely dependent upon the daily efforts of labor and capital. When these forces are prevented or discouraged from increasing the fund of national wealth, the cherished pieces of paper (which are mortgages on this wealth) lose their value. A mortgage on nothing is still nothing.

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What will "bring back" the value of these securities except large pay-rolls, belching smoke-stacks, turning wheels? Watching market quotations, hoping for an up-turn, repeating the shibboleths of Wall Street, are merely the wishful prayers of a gawky maiden for a Prince Charming. It is time the owners of these securities realized that our machinery of production has been stalled so effectively by our tax levies, so sabotaged by our land tenure system, that they never will "come back."

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The value of any security is based primarily on its yield, present or prospective. The yield is based upon production. Production for nearly ten years has hardly been sufficient to provide a bare living for the workers, for capital less than

its replacement value. The lowered standard of living calls for less, not more, production. Increasing poverty has necessitated more and more taxes—which literally means the taking of wealth without any return to wealth-producers—and the consequential result of taxes is to discourage production. Wasteful use of wealth to provide non-productive jobs for unemployed has further increased the inroads on the efforts of labor and capital. The national debt promises a continuing and growing burden for production to carry.

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Thus, there is nothing on the economic horizon to indicate an increase in production that might result in restoring the former yields of these securities, and their corresponding market values. Except, of course, that hideous and temporary stimulant, War, with its inevitable boomerang. Only a perverted mentality welcomes that sort of destructive production.

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And so, for purely selfish reasons, the holders of securities find themselves allied with labor and capital in the search for a plan that will re-start the wheels of progress, and keep them turning at an ever-accelerating tempo. Assuming that such a plan will disclose that in the nature of these securities lies an element that itself impedes progress, what have the holders to lose by adopting such a plan? These papers are dwindling in value anyhow. Undoubtedly a change in our economic system which will abolish involuntary poverty and result in a permanent condition of security-through-production will benefit the

"rich" as well as the "poor." Instead of seeking security through a system which, as we have seen, tends to destroy not only the values we had hoped to live on, but also the human values we must live with, let us seek security in a system that insures the general welfare.

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For how can one feel secure in a social order that breeds continuous war, an ever-increasing number of criminals, broken mentalities, prostitutes? One cannot run away from one's environment. Are there no thieves on the Riviera to disturb one's peace of mind? Do not the germs of disease and the ravages of insanity penetrate through the servants' quarters of the most guarded castles? What rest can a mother find in a world that breeds kidnapers? Whose heart can really be gay in a world that reeks with tears?

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Thus, from an analysis of economic security values we find ourselves drifting into a consideration of our social order. Which is as it should be. For our social maladjustments are merely shadows of wrong economic ideas, and the proper adjustment of the one is impossible without correction of the other. Political economy and social science are so intimately related that only the mind trained in abstractions is able to keep their essential concepts apart. For practical purposes this mental separation is unnecessary.

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To the rich, therefore, whose insecurity is becoming more and more uncertain, in spite of all the tricks of privilege that (as in Germany and Italy) have been resorted to, and who, after all, are human in their impulses, who have the necessary leisure for reflection and the strength of character that thrives on economic independence, we urge a study of the fundamental laws of political economy. To the end that a proper understanding of these laws may show the way to the making of this the best of all possible worlds.